UNITED
NATIONS

ST

Secretariat

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28 January 1998

ADMINISTRATIVE INSTRUCTION

PAYMENT OF INCOME TAXES TO UNITED STATES TAX AUTHORITIES*

The Under-Secretary-General for Management, pursuant to section 4.2 of Secretary-General's bulletin ST/SGB/1997/1, promulgates the following:

Section 1

Application

The present instruction shall apply to staff members who are liable to pay income taxes to United States tax authorities on United Nations salaries and emoluments.

Section 2

Staff member's general obligations

2.1 A staff member who is a United States citizen or a permanent resident (green card holder) who has signed the Waiver of Privileges and Immunities of the United Nations is, as a rule, subject to taxation by the United States on his or her earnings from the United Nations. Staff members are personally responsible to ascertain and meet their legal obligations, if any, arising under United States federal, state and municipal income tax legislation.

2.2 A staff member who is liable for such taxes and who wishes to claim reimbursement must apply for reimbursement or for advances to pay estimated taxes.

2.3 A staff member claiming reimbursement is required to make maximum use of all exemptions, adjustments to income and deductions in order to minimize his or her tax liability. Only those deductions available to reduce the taxable amount

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* Personnel Manual index No. 3070.

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of income from employment (unreimbursed employment expenses) may be subtracted from United Nations taxable earnings in arriving at taxable income.

2.4 Staff members who receive a dependency allowance from the United Nations for a spouse residing in the United States must file their tax returns jointly or provide an acceptable written explanation for choosing an alternative filing status. For tax returns with filing status other than married filing jointly, the final reimbursement of income taxes will be calculated as if a joint return had been filed, using the standard deduction for married filing jointly for the tax year in question or the actual amount of itemized deductions claimed, whichever is greater.

2.5 Staff members who have received United Nations dependency allowances for their relatives or secondary dependents residing in the United States are required to claim the appropriate exemptions for the dependants, even if their filing status is married filing separately, or provide a written explanation as to the reason for not doing so.

Section 3

Procedures

Procedures that set out the requirements incumbent on staff members making applications for tax reimbursement or advances to pay estimated taxes are announced on a yearly basis by the Controller in an information circular.

Section 4

Final provision

The present administrative instruction shall enter into force on 28 January 1998.

(Signed) Joseph E. CONNOR
Under-Secretary-General for Management